



Legislation Text

File #: 18-0179 CRA, Version: 1

TO: CRA Board of Commissioners
FROM: Lori Hayward, Finance & Operations Director
THROUGH: Jeff Costello, CRA Executive Director
DATE: November 13, 2018

BUDGET AMENDMENT NO. 2, FY 2017-2018

Recommended Action:

Accept and file.

Background:

Attached please find Resolution No. 18-22 Budget Amendment No. 2 - FY 2017-2018. The changes in this amendment are mostly "housekeeping" (not highlighted) for year-ending September 30, 2018. The financial changes that are needed to finalize last year's budget (FY 2017-2018) are highlighted in yellow and light blue. Many projects have been continued into the current fiscal year (FY 2018-2019) for completion and are highlighted in light blue. This is a normal situation in the course of ongoing projects with and will be reflected in the amendment to the Interlocal Agreement (ILA) for Construction/Professional Services- Capital Improvement Program (CIP).

The final anticipated dollar expenditures have been modified. The following are the major modifications that are being proposed in this amendment:

1. TIF- City revenue (G/L #4005) - A refund of \$30,504 was paid to the City of Delray Beach as a result of the Palm Beach County Tax Appraiser's final property valuation.
2. TIF- County revenue (G/L #4010) - A refund in the amount of \$21,258 was paid to Palm Beach County as a result of the Palm Beach County Tax Appraiser's final property valuation.
3. Revenue- In-Kind Rent (G/L #4255) - Hatcher Construction build-out the space they occupy in the 700 West Atlantic Avenue building (Units 710, 712, 714) at no cost to the CRA. The cost of the build-out (\$59,186) was deducted (annual amount of \$29,593) from the overall monthly payment, reducing the monthly rent payment to \$1,500 per month over the 2-year term of the lease.
4. Ground Lease-Prime Hotel, LLC (Fairfield Inn) (G/L #4250) - Per the lease agreement, the CRA receives an annual payment which is equal to 2% of gross room sales. The CRA received the first two payments for 2017 and 2018 for a total of \$164,179. Going forward the CRA will receive payment annually.
5. General Carryforward Fund (G/L#4500) - A number of projects had to be extended into FY 2018-2019. A carryforward report will be submitted to the CRA Board for approval in conjunction with the FY 2017-2018 Audit presentation.
6. Reimbursements - City (GL#4700) - In addition to the reimbursements from the City for the Economic Development positions of \$118,786, funds of \$106,313 were reimbursed for following (total

reimbursement of \$225,099):

- a. Block 8 & 20 Alley - \$60,425
- b. Street resurfacing - \$45,763
- c. Utility refunds - \$125

7. Reimbursements - Other (G/L#4750) - Funds that total \$65,755 were reimbursed as follows:
 - a. Property insurance from leased property - \$24,051
 - b. Property insurance from FMIT for FY 2015- 2016 - \$10,447
 - c. Property tax refunds - \$959
 - d. Solid Waste Authority grant (50%) - \$27,029
 - e. Block 60 audit reimbursement- \$1,210
 - f. Miscellaneous reimbursements - \$1,881
8. West Atlantic Redevelopment- Land Acquisition (GL#5115) - Expenses were increased by \$721,584, which includes the purchase of 98 NW 5th Avenue for \$1.4 million. In addition, Other -Land Acquisitions- GL#5610 funds of \$319,387 were not used.
9. West Atlantic Redevelopment- Project Implementation- In-Kind (GL#5119) - Hatcher Construction build-out the space they occupy in the 700 West Atlantic Avenue building (Units 710, 712, 714) at a cost of \$59,186. The cost of the build-out was deducted (annual amount of \$29,593) from the overall monthly payment, reducing the monthly rent payment to \$1,500 per month over the 2-year term of the lease.
10. West Atlantic Redevelopment- Project Implementation (GL#5120) - Expenses in the amount of \$51,951 were carried forward from FY 2016-2017 Budget for construction services performed by Randolph Construction associated with the renovation of 2 tenant spaces at 700 West Atlantic Avenue building.
11. SW Neighborhood Plan- Village Square Elderly (GL#5306) - Construction draws of \$864,076 were reclassified to Village Square Elderly accounts receivable on the balance sheet and the balance was carried forward into FY 2018-2019 Budget.
12. Grant Programs - Business Assistance Startup (GL# 7307) - A grant of \$6,000 was awarded this fiscal year; however, there were five grants previously awarded with a balance of (\$9,623), which were terminated. The credit resulted in a reduction of expenses with a balance of (\$3,623).
13. The following Capital Improvement Program (CIP) expenses were adjusted as follows:
 - a. Downtown Master Plan - NE 3rd St/Ave Streetscape Improvements (CIP) (G/L #5243) - This project was added with ILA Amendment No. 1 for additional engineering services in the amount of \$22,794.
 - b. NW/SW 5th Avenue - Spady Museum Elevator Lift (CIP) (G/L #5243) -
 - c. This project was added with ILA Amendment No. 1 for an elevator lift at the museum in the amount of \$29,710.
14. City Contractual Services- Clean & Safe Program (GL#7335) - Program expenses were adjusted as follows (\$419,775):
 - a. Big belly trash containers \$46,725
 - b. Code Enforcement Officer vacancy- (\$31,500)
 - c. Pressure cleaning- (\$60,000)
 - d. Restriping of Atlantic Avenue- (\$75,000)
 - e. Atlantic Avenue Decorative Street Light Project- (\$300,000)
15. City Contractual Services- Engineering Inspector (GL#7339) - Expense were decreased by \$57,613 as the position was vacant part of the fiscal year.

Attachment(s): Exhibit A - Resolution No. 2018-22 -Budget Amendment No. 2 FY 2017-2018; Exhibit B - FY 2018-2019 Budget Amendment No. 2

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A

Timing of Request:

N/A